



2008 Spring Caravan

Green Building and E&O Insurance – 6 hours Required
Presented by Marie Spodek, DREI

Tuesday, April 29 – Sioux Falls Ramkota, Washington Rm. - 3200 W. Maple St.
Wednesday, April 30 – Sioux Falls Ramkota, Washington Rm. - 3200 W. Maple St.
Thursday, May 1 – Watertown Ramkota/Event Center, - 1901 9th Ave. SW
Friday, May 2 – Aberdeen Ramada, - 2727 6th Ave. SE
Monday, May 5 – Pierre Ramkota RiverCentre, Amphitheatre II – 920 W. Sioux Ave.
Tuesday, May 6 – Spearfish Holiday Inn/Convention Ctr., – I-90 Exit 14
Wednesday, May 7 - Rapid City Ramkota, Rushmore Rm. – 2111 N. LaCrosse St.

Registration begins at 8:15 a.m. Course is scheduled from 9 a.m to 4 p.m.
Pre-registration is required to guarantee admission and is **STRONGLY ENCOURAGED**.
Deadline to pre-register is April 25.

Registration Fee: \$50.00 (including cookies during morning break)
The Commission will retain \$20 of any refunded registration fee.

The SDREC has a strict attendance policy and expects participants to attend the entire session.
For access assistance, handicapped persons may call the Commissions office at (605) 773-3600.

Registration Form can be found on the BACK of this newsletter.

Inside This Issue

From the Director
Letter from the Chairman
Hurricane Cannot Stop Sale of Damaged Home

FTC Offers Tutorial for Businesses
Continuing Education Corner
Appraiser's Update
HUD, EPA Settlement with MN Landlords



A Letter from the Chairman

I recently attended the 2008 Chili/Oyster Feed in Pierre and would like to commend the SD Association of REALTORS, the SD Homebuilders Association and other groups who hosted this fine event. As usual, everyone involved in the event went the extra mile to provide a wonderful opportunity for the real estate community to connect with our legislators.

Speaking of legislators, I would encourage you all to log on to the 2008 Legislative Session homepage at www.legis.state.sd.us/sessions/2008.

The site is very user-friendly and even provides a bill subject index which neatly categorizes all of the proposed bills into major subject categories such as "Property" and "Planning and Zoning".

As the legislative session enters into its last couple of weeks, it is important to stay informed regarding the proposed laws that may have an effect, either directly or indirectly, on the real estate profession.

I would also encourage you to sign up for the 2008 SDREC Spring Caravan. Registration information is on the front page of this newsletter. We are excited to have Marie Spodek returning to South Dakota to present a course on green building practices and Errors & Omissions insurance.

With winter soon coming to an end, I hope spring brings along renewed vitality for your real estate markets.

Sincerely,
Brian Jackson



**Monday,
February 18**

**The SDREC office will be
closed in observance of
President's Day.**



From the Director's Desk

The Commission has recently been involved with a task force to revise eight of the Commission's prescribed forms. Drafts of these forms have been posted to the Commission's website at www.state.sd.us/sdrec for your review. If the Commission receives a favorable response, the forms will be approved at the Commission's March meeting. They will then be available on-line for your use.

I would like to express my thanks and appreciation to the members of the Forms Task Force. These individuals were from all over the state and represented your industry with utmost professionalism. It was indeed a pleasure working with them.

Licensees who failed to renew their licenses at the end of 2007 are posted in this newsletter. If you see an individual listed who you know is still engaging in the practice of real estate, please contact the Commission office. Brokers, please look at the licenses displayed in your offices to make sure they are current.

At its last meeting, the Commission authorized the staff to research on-line services, i.e. renewals, changes of association, etc. This will be an exciting project and the staff is anxious to bring the office into the 21st century. If any of you hold licenses in jurisdictions that have on-line services, please let us know the pros and cons you've encountered.

Responsible brokers, please review your office policies and procedures. If you don't have one, I suggest you get one. I continually receive calls from agents who want to associate with a different broker but don't know what to do with their existing clients. All responsible brokers should have a written policy in place for what happens when an associate moves to another office.

We'll soon be honoring the birthdays of George Washington and Abraham Lincoln. Have you ever thought about George Washington campaigning for

president? He would have been the only presidential candidate who couldn't blame the previous administration for his troubles!

DjN

HUD, EPA and U.S. Attorney in Minnesota Announce Legal Settlement with Minneapolis and St. Paul Landlords

*Agreement requires 179 units to become
"lead-safe" News release from the HUD*

The U.S. Department of Housing and Urban Development, the U.S. Environmental Protection Agency, and the U.S. Attorney's Office for the District of Minnesota announced a legal settlement with nine Minneapolis-St. Paul area property owners and one property management company.

The government alleges these landlords failed to inform tenants that their homes might contain potentially dangerous levels of lead in violation of the federal disclosure rules.

This settlement will result in the complete elimination of all lead-based paint hazards in 179 apartments in the Minneapolis and St. Paul region, with those units containing children six years of age or under or pregnant women being completed first. Two properties, containing 113 units, tested under this settlement were found to be free of any lead-based paint.

In addition to paying substantial funds to make these rental units lead-safe, the landlords will pay a civil fine of \$7,500 for violating the federal disclosure law and will spend another \$50,000 working on a Child Health Improvement Project (CHIP) to replace windows in at least 35 low-and very-low income, owner-occupied homes with children under age six in the Thomasdale, Rice Street and Lower East Side of St. Paul. The landlords will also notify tenants of lead hazards

immediately and comply with the *Lead Disclosure Rule* in the future.

"This agreement is another important step toward eliminating childhood lead poisoning by reminding all landlords that they have a responsibility to disclose possible lead hazards to their tenants," said HUD Deputy Secretary Roy A. Bernardi.

"EPA has the ambitious goal of eliminating childhood lead poisoning by 2010," said EPA Region 5 Administrator Mary A. Gade.

Revised Forms Posted on SDREC Website

Drafts of the revised forms as recommended by the Forms Task Force have been posted on the SDREC website at www.state.sd.us/sdrec.

The new and revised forms include:

- * Agency Agreement Addendum
- * Contingency Removal
- * Counteroffer
- * Exclusive Buyer Agency

Agreement

- * Listing Agreement
- * Nonexclusive Buyer Agency

Agreement

- * Purchase Agreement
- * Real Estate Relationship

Disclosure

The Commission will review these forms for approval at the March 5 & 6 meeting in Pierre.

Comments regarding the proposed forms may be emailed to dee.jones@state.sd.us.

FTC Offers Tutorial for Businesses on Protecting Personal Information

(used with permission from the FTC)

*Protecting Personal Information:
Five Steps for Business
by Lesley Fair*

What's in your file cabinet right now? Tax records? Payroll information? And what's on your computer system?

Financial data from your suppliers? Credit card numbers from your customers? To a busy marketer, those documents are an everyday part of doing business. But in the hands of an identity thief, they're tools for draining bank accounts, opening bogus lines of credit, and going on the shopping spree of a lifetime — at the expense of your company, your employees, and the customers who trust you.

Sophisticated hack attacks make the headlines, but many security breaches could be prevented by commonsense measures that cost companies next to nothing. That's why the Federal Trade Commission (FTC) has published Protecting Personal Information: A Guide for Business, a plain-language handbook with practical tips on securing sensitive data. The specifics depend on the size of your company and the kind of information you have, but the basic principles remain the same. Whether you work for a multinational powerhouse with branches around the world or a start-up based in a home office, a sound information security plan is built on these five key practices:

Take stock. Know what personal information you have in your files and on your computer. Understand how personal information moves into, through, and out of your business and who has access — or could have access to it.

Scale down. Keep only what you need for your business. That old business practice of holding on to every scrap of paper is "so 20th century." These days, if you don't have a legitimate business reason to have sensitive information in your files or on your computer, don't keep it.

Lock it. Protect the information you keep. Be cognizant of physical security, electronic security, employee training, and the practices of your contractors and affiliates.

Pitch it. Properly dispose of what you no longer need. Make sure papers containing personal information are shredded, burned, or pulverized so they can't be reconstructed by an identity thief.

Plan ahead. Draft a plan to respond to security incidents. Designate a senior member of your team to create an action plan before a breach happens.

Get your copy of *Protecting Personal Information: A Guide for Business* at www.ftc.gov/infosecurity. While you're there, download copies for your IT manager, your human resources department, your sales staff, and anyone else who comes in contact with customer or employee information.

Lesley Fair is an attorney in the FTC's Bureau of Consumer Protection who specializes in business compliance.

South Dakota Real Estate VIEW

Official Publication of the
South Dakota Real Estate Commission
221 West Capitol Ave., Suite 101
Pierre, South Dakota 57501

Telephone: 605-773-3600
Facsimile: 605-773-4356
Website: www.state.sd.us/sdrec
E-mail: dr.ralestate@state.sd.us

Editor-in-Chief: Dee Jones Noordermeer
Editor: Karen Callahan

THE COMMISSION AND STAFF

Brian Jackson, Chairman..... Sioux Falls
Eileen Fischer, Vice-Chair..... Pierre
Charles Larkin, Member..... Watertown
Dennis Eisnach, Member Pierre
Paula Lewis, Member Rapid City
Dee Jones Noordermeer,

Executive Director Pierre
Karen Callahan,
Education Director. Pierre
Norma Schilling, Licensing..... Pierre
Michelle Metzinger, Auditor..... Pierre
Angela Madsen, Auditor Sioux Falls

Articles by outside experts express the author's particular viewpoints. These opinions are not necessarily shared by the Commission, nor should they be mistaken for official policy. The articles are included because they may be of interest to the readers.

Continuing Education Corner

By Karen Callahan, Education Director

During the last license renewal period, the SDREC office received many calls from licensees wondering if they should send copies of their education certificates with their license renewals.

The answer is generally, no. This task is now the responsibility of the course provider, both classroom and distance learning. The course provider has 10 days to submit this information to the SDREC office. Licensees should also be aware that for distance learning courses, an exam score of 80% is needed to pass and receive credit for the course.

The only instance where a licensee is responsible for submitting the course completion information is for classroom courses taken outside of South Dakota. These courses do not get reported to the SDREC office by the course sponsor.

Another frequent question by brokers and broker associates is whether a particular course is approved as a Required or Elective class.

SDAR 20:69:11:01 and 20:69:11:02 define what topics are acceptable for continuing education and which of those topics are considered as Required subject areas. These subjects include: Real estate contracts, real estate license law, fair housing, ethics, environmental issues, antitrust, the American with Disabilities Act and brokerage services.



Hurricane Katrina No Excuse for Seller's Failure to Transfer Property

ALQ Real Estate Intelligence Report

A home seller who agreed to a purchase agreement on Aug. 22, 2005 – with the close set for a month later on Sept. 26 – has been told he must go through with the sale, even though Hurricane Katrina ripped through his house during the intervening period.

The case was Wesley and Gwendolyn Payne vs. Keefe Hurwitz (No. 2007 CA 0081, first Cir., La. App. 2008). The appeals court essentially told Hurwitz he could not profit from the “fortuitous events” of the hurricane that resulted in his property being substantially upgraded with repairs.

According to court records, Hurwitz agreed to sell his home in Madisonville, La., to the Paynes for \$241,500. The contract contained a provision that said if an inspection turned up a need for repairs, the closing date could be delayed for another 60 days to make them.

The purchase agreement was signed a week before Katrina hit the Louisiana coast on Aug. 29. Hurwitz's home sustained substantial roof damage from hurricane winds and a fallen tree, as well as water damage to the sheetrock, windows, and other interior fixtures.

The costs of repair were estimated by Hurwitz – a self-employed contractor with experience as an insurance adjuster – at approximately \$60,000.

Although the Paynes fled to Kansas City during the storm, they tried repeatedly to contact Hurwitz about the wellbeing of the property. On Sept. 20, Hurwitz acknowledged the attempts through an e-mail to the lender's title company that stated: “Per our conversation today, I was blunt that the house was in need of major repair due to storm damage. It will take months to get this work completed. I will not be interested in selling for the same amount when and if I decide to sell my house.

“Naturally the house goes up in value each day ... I understand that Katrina was an inconvenience to

everyone. I'm sorry at this time I cannot afford to sell my house under the previous terms and conditions or the present status of my house and my life at this time.”

The Paynes promptly sued Hurwitz for specific performance of the contract.

The trial court found in favor of the Paynes, but ruled only that their \$1,000 security deposit must be returned along with another \$1,000 in fees.

The Paynes appealed, saying Hurwitz was required to go through with the sale. The appeals court agreed, saying the Paynes were entitled to more than a security deposit.

The court said that under the contract Hurwitz was required to bring the house up to at least its previous condition and he could not take advantage of the fact that once it was rebuilt – and paid for by insurance money – that it would be worth considerably more than the purchase agreement stated.

New Licensees

Broker

Christensen, Erik M – Luverne, MN
Elliott, Michael – Bozeman, MT
Grubaugh, Rick C – Columbus, NE
Hanna, Larry E – Rapid City
Holstine, William J – Nevada, IA
Kallenberger, Donald W – Eureka
Kounkel, Ronald E – Le Mars, IA
Masselink, Chan B – Sioux Falls
Smith, Kent K – Storm Lake, IA
Villafuerte, Jesse J – Denver, CO
Wakefield, Leo M – Wasilla, AK

Broker Associates

Andrew, Tina – Aberdeen
Ateshzar, Barbara – Rapid City
Balster, Conrad D – Rapid City
Bieri, Judy G – Box Elder
Brewer, Cheryl K – Belle Fourche
Burnett, Charles M – N. Sioux City
Burns, Candace – Rapid City
Carlson, Chad – Sturgis
Drysdale, Sarah M – Rapid City
Edwards, Lon G – Custer
Eikanger, John R – Sioux Falls
Fox, Joseph K – Loveland, CO
Green-Sherman, Maria – N. Sioux City
Hamze, Christopher – Hartford
Hamze, Nicholas – Hartford

Howe, David – Castlewood
 Huseman, Lisa J – Rapid City
 Kerkvliet, Douglas J – Custer
 Kerkvliet, Joseph J – Custer
 Klundt, Arlyn A – Winner
 Konstant, Michael J – Spearfish
 Marquardt, Kandice L – Sioux Falls
 Martinez, Mary A – Rapid City
 Meyer, Ross D – Lennox
 Mueller, Kathleen “Katie” A – Sioux Falls
 Pederson, Jim E – Newcastle, WY
 Powell, Jason D – Spearfish
 Rieffenberger, I, Keith J – Watertown
 Rohrbach, Andrea L – Aberdeen
 Rysavy, Mary J – Sioux Falls
 Schuetzle, Luke – Pierre
 Sprik, Darwyn L – Sioux Falls
 Steele, Stephanie L – Rapid City
 Suckow, Brian – Sioux Falls
 Viereck, James A – Sioux Falls
 Vodraska, Bridget M – Inwood, IA
 Wedin, Melinda A – Aberdeen
 Zvolanek, Holly J – Rapid City

Home Inspectors

Bierschenk, Kirk – Spearfish
 Blake, Kennard L – Madison

Property Manager

Acree, Michael – Webster
 Bittner, Corina A – Sioux Falls
 Burke, Julie – Spearfish
 Hanson, Sheri A – Sioux Falls
 Jones, David G – Brookings
 Martin, Lahra F – Sioux Falls
 Murphey, Duane G – Custer
 Murphey, Marcia – Custer
 Storhaug, Shawn E – Brookings
 Wyatt, Brandi – Vermillion

Residential Rental Agent

Cain, Katie B – Sioux Falls
 Day, Corey M – Sioux Falls
 Eastman, Vien N – Sioux Falls
 Knutson, Katie L – Brookings
 Lunstra, Colleen – Brandon
 Swenson, Gregory J – Sioux Falls

Salesperson

Feeken, Sarah – Wahpeton, ND
 Gaul, Steven R – Hawarden, IA
 Johnson, James J – Hemingford, NE
 Reyman, Dennis L – Correctionville, IA
 Roe, Jr., Robert L – Sioux City, IA
 Tvedt, Kelly – Buffalo, WY

*The following case summary is from the
 Association of Real Estate License Law
 Officials (ARELLO) Case Law Report*

Agent Has Duty to Disclose Home Might Be Mobile Home

Waddles v. LaCour, 950 So.2d 937
 (2007)
 Court of Appeal of Louisiana

Facts: Pruitt and Posey co-listed a home for LaCours. Waddles became interested in the home and entered into a dual agency agreement and a contract to purchase the home. After moving in, Waddles discovered the home was a mobile home. Waddles sued, alleging the agents misrepresented the home as custom built and failed to disclose that it was in fact a mobile home. Posey admitted she had received phone calls informing her that the home was a mobile home but that she had questioned the LaCours, who told her there had been a mobile home there at one time but that it was gone. The buyer hired an inspector who found the home was a combination of site-built and mobile home. The Lacours filed for bankruptcy and were dismissed from the case as a result. The trial court found the agents had a duty to disclose the phone calls they received so that Waddles could investigate or negotiate further if necessary. The court reduced the purchase price of the home by 25% and awarded \$10,000 in damages, 2/3 the fault of Posey and 1/3 Pruitt. Posey and her insurance company appealed.

Issue: Whether Posey had a duty to disclose the content of the phone calls to Waddles.

Held: Posey did have a duty to disclose the information to Waddles, her client. The award of \$10,000.00 for mental anguish was not abusively high. The court observed that in this case there were three calls informing Mrs. Posey that the home for sale used to be a mobile home. As an agent for Mr. Waddles also, this issue could have been so that Mr. Waddles could decide what action to take. Even if the LaCours failed to disclose the information, at least Ms. Posey would have fulfilled her obligation to Mr. Waddles.



In Memoriam

The SD Real Estate Commission extends its sincerest sympathy to the families and friends of the following licensee who recently passed away:

Dennis Clement, Deadwood
 J. Tipp Hamilton, Ft. Pierre

Non-Renewals

The following licensees had not renewed their licenses as of February 4. Any license not renewed by the expiration date is canceled. If the license of an active firm or active qualifying broker is not renewed, all licenses hanging in that office must be returned to the Commission office. If your name appears on the list in error or you wish to reinstate the license, please contact the Commission office.

Active Auctioneers

Carlson, Ronald – Carthage
 Wosje, John D – Nunda

Active Broker Associates

Amundson, Mark L – Sioux Falls
 Kiesow, Jennifer A – Sioux Falls
 Kullbom, Terrence L – Lead
 Nygaard, Brenda – Dell Rapids
 Phillips, Stacey R – Sioux Falls
 Randolph, Steven D – Rapid City
 Walker, Lanny – Vermillion

Active Brokers

Berven, James L – Watertown
 Brost, Frank D – Rapid City
 Carson, Lyman D – Sioux Falls
 Clarke, Jay N – Ripon, WI
 Clay, Charles E – Hot Springs
 Estes, Doyle – Hill City
 Feist, Kathy J – Bismarck, ND
 Feste, Arne O – Sioux City, IA
 Flynn, Leo T – Sioux Falls
 Fortak, Werner H – Spearfish
 French, Donald L – S. Sioux City, NE
 French, Susan M – Vermillion
 Golay, Ardis D – Spearfish
 Hamaty, Jr., Nicholas – Independence, MN

Hook, John R – Redstone, CO
Hoover, Clifford D – Spencer, IA
Houwman, Robin J – Sioux Falls
Hoyle, Darrell D – Marshall, MN
Hutchinson, Larry A – White River
Jacobsen, John E – Mitchell
Kappes, Reuben E – Aberdeen
Kolnberger, Michael – Shakopee, MN
Lengkeek, Leon L – Brookings
Lenz, Gene F – Lusk, WY
Lewellen, Todd A – Paron, AR
Luft, Ted – Little Rock, AR
Martin, Gary L – Kearney, NE
Mattison, David – Redwood Falls, MN
McDonald, John E – Sioux Falls
McGuire, Samuel J – Rapid City
McNutt, Kelly R – Elmore City, OK
Norland, James R – N. Mankato, MN
Olson, Richard D – Bismarck, ND
Perso, Georgianna M – Brookings
Pirmantgen, Carroll W – Milbank
Reichlinger, Perry – York, NE
Sabata, Ronald L – North Platte, NE
Tangren, Peter A – Austin, MN
Wegner, Creighton – Hawarden, IA
Wright, Randall E – Pierre

Active Home Inspectors

Beam, Brian E – Custer
Bruder, Ervin P – Brandon
Buhl, Kim J – Pierre
Daniels, Joseph L – Sioux Falls
Danowski, Ted J – Lead
Dykstra, Brandon J – Brandon
Falken, Dennis A – Brookings
Geddes, Trenton E – Sioux Falls
Hegdahl, Wayne A – Nunda
Johnson, Scott M – Sisseton
Kieckhefer, Jon R – Volga
Lawrence, Tim S – Mitchell
McCue, Thomas – Volin
Pitt, Kenneth A – Belle Fourche
Zimmerman, Kent – Lawton, IA

Active Property Managers

McComber, Thomas – Sioux Falls
McMichael, Cody W – Spearfish
Vaplon, Janice J – Belle Fourche

Active Residential Rental Agents

Hardt, Jessica J – Brookings
Jones, Hollie G – Sioux Falls
Medici, Jessica A – Sioux Falls

Active Salespeople

Ahlers, David A – Sioux City, IA
Andersen, Dylan C – Fairmont, MN

Anton, James E – Mankato, MN
Calvillo, Keri M – Sioux City, IA
Cuddy, Jeremiah J – O'Neill, NE
Curley, James R – Roland, AR
Griffith, Toby L – Pompeys Pillar, MT
Hotovec, Gary P – Hutchinson, MN
Hupp, Harold P – Gordon, NE
Kellem, Loy L – Black Hawk
Maixner, Joel – Bismarck, ND
Mitchell, Steven T – Sturgis
Oakes, Jason D – Ortonville, MN
Shreve, Nelda J – Elmore City, OK
Steidl, LeAnn – Bismarck, ND
Strobl, Matthew L – Delano, MN
Wortmann, Holly A – Crofton, NE

Active Timeshare Agents

Downey, Marlene (Marci) – Rapid City
Isma, Chester – Rapid City
Kushman, John C – Rapid City
Powers, Edward D – Rapid City

Inactive Auctioneers

Dietterle, Doug – Meadow
Jorgenson, Orville – Watertown
Poppenga, Roy G – Lennox

Inactive Brokers

Adam, Thomas C – Pierre
Alexander, Shirley A – Rapid City
Bond, Richard K – Santa Barbara, CA
Bowen, Thomas C – Vale
Brown, Delores J – Yankton
Carter, Kathy – Merville, IA
Christenson, Robert A – Sioux Falls
Corey-Gruse, Yvonne D – Rapid City
Davis, Bonnie J – Rogers, AR
DeVane, Barbara L – Sioux Falls
Duncan, Ranny B – Spearfish
Eisnach, Merlaine R – Estelline
Fitzgerald, James D – Yankton
Folsland, Robert W – Rapid City
French, Rollie W – Vermillion
Hollan, Robert J – Sioux Falls
Holter, Terrill G – Castlewood
Hunter, Richard J – Hot Springs
Kindsfater, Ralph E – Belle Fourche
Leamy, Judith E – Sun City Center, FL
Linderman, Walter J – Rapid City
Lundy, Gary L – Ft. Collins, CO
Manning, Joy E – Newcastle, WY
Mattson, Donald E – Rapid City
McEntee, Carol A – Canton
Mentele, Reginald E – Mitchell
Metcalf, Douglas D – Brandon
Mogck, Clarence R – Sioux Falls
Moore, Timothy M – Bismarck, ND

Nielsen, Harlan M – Sioux Falls
Phillips, Pam P – Rapid City
Rydell, Vera A – McAllen, TX
Schmitz, Jerome A – Aberdeen
Snyder, James M – Sioux Falls
Stein, Alan B – Wichita, KS
Storla, James L – Mitchell
Trasamar, Lonnie R – Blue Earth, MN
Ward, Pamela M – Minneapolis, MN
Wright, Larry M – Rapid City
Wyatt, Lloyd H – Hot Springs

Inactive Broker Associates

Bahr, Dawn, L – Mesa, AZ
Baldrige, Kimberly – Sioux Falls
Ballow, Elizabeth A – Hermosa
Batka, Kenneth A – Spearfish
Bell, Holly A – Rapid City
Benker, Megan L – Brandon
Beshara, Laura – Rapid City
Bierschenk, Timothy J – Marshall, MN
Blanco, Milo J – Rapid City
Boschee, Esther – Aberdeen
Brendmoen, Inez – Roslyn
Brown, Connie K – Rapid City
Busetti, Michael C – Hill City
Christianson, Andrea G – Sioux Falls
Colwell, Josh W – Sioux Falls
Conrad, Adam – Sun Prairie, WI
Croeni, Robert C – Webster
Daly, don J – Aberdeen
Dominguez, Jan O – Box Elder
Drake, Mary L – Watertown
Earhart, Lisa L – Eagon, MN
Elkin, Justin C – Brandon
Erickson, Kimberly J – Rapid City
Fitts, Rodney E – Sioux Falls
Foyil, Janelle “Louanne” – Sutter Creek, CA
Friez, Duane D – Spearfish
Fritza, Deborah L – Sioux Falls
Galles, Stephen B – Rapid City
Goebel, Janell L – Carl Junction, MO
Grimm, Alice E – Artesia, MN
Gross, Chris – Huron
Haak, Craig R – Canova
Hartog, Scott A – Redfield
Hartsell, Hubert “Lynn” – Canton
Hayes, Sarah A – Belle Fourche
Hendrickson, Lyle N – Rapid City
Henley, Charlotte A – Huron
Hidalgo, Nancy G – Sioux Falls
Holwegner, Reed – Silver Lake, KS
Jaragoske, Angela D – Rapid City
Jerke, Pamela Sue – Sioux Falls
Joachim, Todd A – Rapid City
Johnson, Paul E – Madison

Kaiser, Misty L – Whitehouse, TX
 Kemper, Betsy A – Sioux Falls
 Knepp, Tracy L – Black Hawk
 Laframboise, Anthony – Watertown
 LaQua, Michael L – Sioux Falls
 Lawrence, Ronald R – Watertown
 Leikvoll, Andrew J – Willmar, MN
 Mackey, Tammy L – Rapid City
 MacNally, David W – Waubay
 Mader, Ann E – Garretson
 Matson, Vicky A – Ipswich
 McLagan, Michael J – Sioux Falls
 Meier, Kelly – Sioux Falls
 Mendel, Milton J – Freeman
 Mines, Dennis P – Yankton
 Muenster, Theodore “Ted” – Sioux Falls
 Nielsen, Russell L – Watertown
 Olsen, Beth J – Sioux Falls
 Ostrander, Don – Custer
 Peters, Tamara J – Sioux Falls
 Pidde, Karen – Freeman
 Polovich, Moira J – Rapid City
 Pospishil, Scott D – Yankton
 Randolph, Nancy D – Thermopolis, WY
 Rew, Audra A – Mitchell
 Rezek, Ray – Spearfish
 Rutkowski, Donald J – Spearfish
 Scott, Jean M – Sioux Falls
 Simons, Duane E – Sioux Falls
 Spillum, Gary L – Sioux Falls
 Stephens, Kenneth W – Valentine, NE
 Thaelke, Jackie K – Sioux Falls
 Thom, Christine – Brandon
 Thompson, Jeffrey A – N. Sioux City
 Tyler, Louann D – Aberdeen
 Van Beek, Matthew L – Sioux Falls
 VanderLoo, Shane J – Sioux Falls
 Varland, Alan L – Lead
 Viergets, Nicholas L – Spearfish
 Voorhees, Charles K – Pierre
 Walla, Jeremy T – Rapid City
 Washburn, Cynthia L – Sioux Falls
 Webb, Maxine M – Rapid City
 Wells, Keri A – Rapid City
 Williams, Sunshine M – Montgomery, TX
 Willmore, Edwin F – Sioux Falls
 Willmschen, Stan – Pringle
 Woodford, Tammy A – Sioux Falls

Inactive Home Inspectors

Claggett, John W – Mitchell
 Donat, Gregory A – Hot Springs
 Himle, Norman R – Spearfish
 Lamer, Ryan T – Elk Point
 Lesselyoung, Ted – Rapid City
 Whitlock, Danny R – Jefferson

Inactive Property Managers

Balkenhol, Ferd P – Deadwood
 Dean, Timothy J – Redwood Falls, MN
 Korzan, Karen M – Hartford
 Pottratz, Marlene A – Brookings
 Redmond, June V – Brookings
 Simpson, Jayne – Rapid City

Inactive Residential Rental Agents

Bonney, Richard C – La Grande, OR
 Burk, Richard D – Sioux Falls
 Conley, Laurie L – Watertown
 Cook, Abbey S – Sioux Falls
 Dummermuth, Mia J – Parker
 Eliason, Shannon R – Belle Fourche
 Geraets, Ruth A – Sioux Falls
 Hale, Marcella E – Sturgis
 Hofer, Lindsay R – Sioux Falls
 Houg, Lucille – Sioux Falls
 Hunsley, James A – Rapid City
 Martinell, Ann – Sioux Falls
 Murphy, Deborah K – Sioux Falls
 Schoolmeester, Alvina – Edgerton, MN
 Smith, Janice M – Ft. Pierre
 Stolz, Jennifer – Sioux Falls
 Thompson, Alvera L – Sioux Falls
 Wesche, Julie A – Brookings

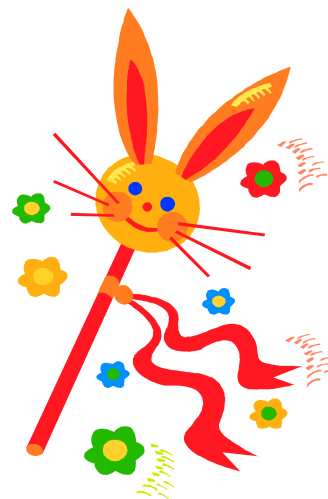
Inactive Salespeople

Andersen, Anthony M – Sioux City, IA
 Birkley, Lowell A – Jackson, NE
 Bjergaard, Harry G – Sioux Falls
 Bjergaard, Marilyn E – Sioux Falls
 Bliven, Barry D – Sioux City, IA
 Burma, Larry A – Tea
 Davenport, Dagan – Sioux City, IA
 Dewey, Patricia A – Rapid City
 Donahue, Jeanne K – Beulah, WY
 Dunnington, Joni-Kay – Sergeant Bluff, IA
 Edwards, Lawrence J – Sioux City, IA
 Erickson, Cheryl D – Brandon
 Fines, Margo M – Crooks
 Fink, Barbara J – Lennox
 Flammang, Roxanne L – Lawton, IA
 Georgas, Paul – Rapid City
 Griffith, Steven H – Ft. Collins, CO
 Hathorn, V. Anita – Gadsden, AL
 Hendrickson, Mari – Custer
 Hepper, Stanley D – Mandan, ND
 Herlyn, Deloris K – Marion
 Hittle, James Stephen – Sioux City, IA
 Knutson, Kathy – Rapid City
 Larson, Kathryn A – Sioux Falls
 Likness, Drew A – Fargo, ND
 Lohmiller, Pamela K – Newnan, GA
 Magnussen, Wendy S – Merville, IA

Meinders, Jerry – Sioux City, IA
 Oleson, Carolyn J – Sioux City, IA
 Olson, Kimberly F – Sioux Falls
 Olson, Mary A – Huron
 Rademacher, Marjean M – Ortonville, MN
 Richardson, Joe – Sioux Falls
 Richardson, William T – Sioux City, IA
 Scalet, Ginger – Brookings
 Schauer, Jake L – Faith
 Schuman, Cindy M – Black Hawk
 Smith, Paul D – Sioux Falls
 Sorensen, Sharol M – Sioux Falls
 Sorlie, Mark E – Hawarden, IA
 Standing, Rickford L – Sioux Falls
 Thompson, Donald B – Sioux Falls
 Tutsch, Charles J – Martin
 Voyles, Gladys E – Belle Fourche
 Wahl, Mary – Huron
 Welch, Jennifer L – Akron, IA
 Wibbens, Roger Q – Pierre
 Williams, Shannon M – Sioux City, IA

Inactive Timeshare Agents

Abell, Michael – Lead
 Bucholz, Karen J – Lead
 DuBray, Kimberly R – Rapid City
 Hopkins, Jamie – Lead
 Marotz, Ashley N – Rapid City
 Mauldin, Casey M – Deadwood
 McCurdy, Betty R – Casper, WY
 Merrill, Rosemary – Deadwood
 Mosher, Andrew P – Deadwood
 Paulson, Megan R – Spearfish
 Savoie, Sammie – Lead
 Stucker, Jon (Scott) – Rapid City
 Woodcock, Charles E – Ellsworth AFB



APPRAISER UPDATE

This section of the South Dakota Real Estate Review is the responsibility of the South Dakota Department of Revenue and Regulation Appraiser Certification Program. Articles are printed here to communicate pertinent information to those appraisers who receive this newsletter and are licensed under the Certification Program. Appraiser certification inquiries can be directed to Sherry Bren, Program Administrator, 445 E. Capitol, Pierre, SD 57501, 605-773-4608.



**Sherry Bren,
Executive
Director
(605)
773-4608
445 E. Capitol
Pierre, SD 57501**

Appraiser Certification Program Mission – Purpose – Intent

The Appraiser Certification Program was implemented July 1, 1990, pursuant to enactment of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) by Congress. The mission of the Program is to certify, license and register appraisers to perform real estate appraisals in the state of South Dakota pursuant to Title XI (FIRREA). The purpose of the Program is to examine candidates, issue certificates, investigate and administer disciplinary actions to persons in violation of the rules, statutes and uniform standards, and approve qualifying and continuing education courses. Title XI intends that States supervise all of the activities and practices of persons who are certified or licensed to perform real estate appraisals through effective regulation, supervision and discipline to assure their professional competence.

Appraiser Certification Program Advisory Council

Council members provide recommendations to the Secretary of the Department of Revenue and Regulation in the areas of program administration in

order to sustain a program that is consistent with Title XI. The Council meets quarterly in public forum. See the Website for meeting information.
www.state.sd.us/appraisers

Vacancy – Advisory Council

The Department of Revenue and Regulation is seeking nominations for a State-Certified Residential Appraiser to serve as a member of the Appraiser Advisory Council.

The Advisory Council is responsible for advising the Department Secretary in matters of program administration, procedure, and policy in order to sustain a program that is consistent with Title XI, Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989 administered by the Appraisal Subcommittee, the uniform standards and the qualifications criteria as set by the Appraisal Standards Board and the Appraiser Qualifications Board of the Appraisal Foundation. The council members do not receive compensation for any expenses incurred to serve on the council. Four meetings are held each year in Pierre. The term limit is four years.

If you are interested in nominating yourself or another appraiser for appointment to the Advisory Council, please submit your nomination in writing to the Department of Revenue and Regulation, Appraiser Certification Program, 445 East Capitol Ave., Pierre, SD 57501.

The nomination should include the appraiser's name, address, appraiser title and the reason that you believe you or the person you have nominated should be appointed to the Advisory Council. Any person nominated for the position should possess substantial knowledge regarding appraising, a reasonable understanding of

Title XI, FIRREA and its impact on the appraiser profession, and be highly respected by other appraiser professionals.

Please submit nominations to the Department no later than March 1, 2008. If you have any questions, please feel free to contact Sherry Bren at 773-4608.

State-Registered Appraisers Must Verify Supervisor Registration

State-registered appraisers are required to report the name of each supervising appraiser to the Department of Revenue and Regulation, Appraiser Certification Program. It is the responsibility of the state-registered appraiser to verify the Department's receipt of the Supervisor Registration forms. Registration of a supervisor is effective the day the registration form is received by the Department Secretary. Disassociation with a supervisor is effective the day the notification is received by the Department.

Registration of a supervisor may be verified at www.state.sd.us/appraisers.

Information Regarding Disciplinary Actions

Public information regarding disciplinary action taken against an appraiser is available upon written request to the Department of Revenue and Regulation, Appraiser Certification Program, 445 East Capitol Avenue, Pierre, SD 57501 or e-mail – Sherry.Bren@state.sd.us. Include in the request for information the name of the appraiser and the appraiser's city and state of residence. (Disciplinary action may include denial, suspension, censure, reprimand, or revocation of a certificate by the department. (ARSD 20:14:11:03))

Review of Cases – 01/01/07 - 12/31/07

For the period Jan. 1, 2007 through December 31, 2007 the Department has received 24 upgrade applications, 4 new applications claiming experience and initiated 9 complaint investigations.

Upgrades – 11 pending, and 13 issued

New Application Claiming Experiences – 1 denied and 3 issued

Complaints – 1 pending hearing, 2 pending investigation, 6 closed

Revised Administrative Rules Regarding Appraisers

On January 28, 2008 the following rule revisions took effect in South Dakota.

ARSD 20:14:06:01. Conformance with uniform standards. An appraisal must conform to the Uniform Standards of Professional Appraisal Practice, 2008-2009 Edition. The appraisal must also disclose any steps taken that were necessary or appropriate to comply with the competency rule of the uniform standards.

ARSD 20:14:06:01.01. Assignment conditions. An appraiser shall comply with assignment conditions applicable to assignments prepared for specific purposes or property types issued by government agencies, government sponsored enterprises, or other entities that establish public policy. An appraiser shall ascertain whether any such published assignment conditions in addition to the uniform standards apply to the assignment being considered.

Examples: An appraiser is required to comply with the assignment conditions issued by the federal financial institutions regulatory agencies of the United States known as appraisal guidelines and regulations when performing an assignment for the agencies.

An appraiser is required to comply with the assignment conditions issued by Fannie Mae known as Fannie Mae Appraisal Guidelines when accepting an assignment requiring the use of Fannie Mae forms adopted March of 2005.

An appraiser is required to comply with the assignment conditions issued by Employee Relocation Council known as

The Relocation Appraisal Guide when accepting an assignment requiring the use of the Employee Relocation Council Summary Appraisal Report.

ARSD 20:14:11:03. Grounds for disciplinary action. The following acts and omissions are grounds for disciplinary action, which may include denial, suspension, censure, reprimand, or revocation of a certificate by the department:

(20) Failing to comply with a final order issued by the secretary.

Request for Comment Certificate Renewal Period

The Department of Revenue and Regulation, Appraiser Certification Program received a proposal from an appraiser to adopt a two (2) year appraiser licensing cycle to replace the current one (1) year cycle. The renewal cycle would coincide with the current requirement to verify required continuing education each odd numbered year.

The Department is issuing this Request for Comment so that appraisers may consider and respond to this proposal.

Please provide your opinion to the Department. You may submit your comment in writing to the Appraiser Certification Program, 445 E. Capitol Ave., Pierre, SD 57501 or by facsimile to 605.773.5369. Comments may also be submitted by e-mail to sherry.bren@state.sd.us. Please submit your comments **by March 10, 2008**.

USPAP Q & A

Vol. 9, No. 12, December 2007

Changing the Scope of Work after the Report has been Submitted

Question: Sometimes after submitting my appraisal report, my client will ask me to perform additional work. This can mean looking at more or different comparables or developing another approach. Do these requests for additional work create a new assignment?

Errors of Commission and Omission

Question: A reviewer recently told me that my residential appraisal did not comply with USPAP because of “errors of omission and commission” and cited Standards Rule 1-

1(b). What is the difference between these errors?

Making a Series of Errors

Question: A reviewer told me that my real property appraisal did not comply with USPAP because I made several minor calculation and analytical errors. Does USPAP address this issue?

Vol. 10, No. 1, January 2008

Geographic Competency in Appraisal Reviews

Question: I have a client who has asked me to perform a desk review on a property located in a different state. I have no knowledge of the real estate market in that state and have never even stepped foot there. Can I perform a USPAP-compliant appraisal review on this property?

Appraisal Without Knowing Sale Price

Question: I have been asked to perform an appraisal for a home that I know is under contract. No lender is involved and the buyer and seller do not want the appraiser to know the amount of the sales contract. Can I accept this assignment and still comply with USPAP?

Due Process Under Confidentiality

Question: I received a request from my state attorney general's office to turn over some appraisal reports I had prepared. Can I comply with this simple request or must it be in the form of a subpoena?

Answers to the above questions can be found at: www.appraisalfoundation.org.

New Licensees – Dec. 2007/January 2008

Susan K. Lykken, State-Registered – Rapid City, SD

Patrick L. Callison, State-Certified Residential – New Market, AL

Charles Mutchler, State-Registered – Sioux Falls, SD

Bonnie L. Haines, State-Registered – Oacoma, SD

Brian A. Wilson, State-Registered – Brandon, SD

Thomas E. Hildring, State-Registered – Garretson, SD

Tara J. Noteboom, State-Licensed – Elk River, MN

George E. Luther, Jr., State-Certified General – Miles City, MT

Gary D. Riley, State-Certified Residential – Peyton, CO

SOUTH DAKOTA Real Estate VIEW 9

2008 Spring Caravan Registration Form—Green Building/E&O Insurance

One registration form per person!

Name _____ License Number and Type _____

(Mailing Address) (City) (State) (Zipcode) (Daytime Phone)

Email Address: _____

Please check which you would like to attend. Registrations left blank will be returned.

- | | | |
|--|---|--|
| <input type="checkbox"/> Sioux Falls – Tues., April 29 | <input type="checkbox"/> Sioux Falls – Wed., April 30 | <input type="checkbox"/> Watertown – Thurs., May 1 |
| <input type="checkbox"/> Aberdeen – Fri., May 2 | <input type="checkbox"/> Pierre – Mon., May 5 | <input type="checkbox"/> Spearfish – Tues., May 6 |
| <input type="checkbox"/> Rapid City – Wed., May 7 | | |

Registrations received by phone or fax will NOT be accepted. The registration fee of \$50 must accompany this form. The Commission will retain \$20 of any refunded registration fee.
Registrations should be mailed to SDREC, 221 W. Capitol Ave., Suite 101, Pierre, SD 57501.

Registrations are due by Friday, April 25th.

◆ ----- ◆
4385 copies of this publication were printed by the South Dakota Real Estate Commission at a cost of .25 per copy.

SD Real Estate Commission
221 W Capitol Ave, Suite 101
Pierre, SD 57501